

SENATE BILL No. 453

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-1.1-21.3.

Synopsis: Inventory tax credits. Establishes inventory tax replacement credits payable from the state property tax replacement fund.

Effective: July 1, 2002.

Weatherwax, Simpson

January 14, 2002, read first time and referred to Committee on Finance.

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Introduced

Second Regular Session 112th General Assembly (2002)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2001 General Assembly.

SENATE BILL No. 453

A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 6-1.1-21.3 IS ADDED TO THE INDIANA CODE
2 AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2002]:

4 **Chapter 21.3. Inventory Tax Replacement Credits**

5 **Sec. 1. As used in this chapter, "inventory" has the meaning set**
6 **forth in IC 6-1.1-3-11.**

7 **Sec. 2. As used in this chapter, "net property tax liability on**
8 **inventory" means the property taxes attributable to inventory that**
9 **are due and payable as shown on the property tax statement sent**
10 **to a person after all deductions and credits have been applied**
11 **under any other statute.**

12 **Sec. 3. A credit against a person's net property tax liability on**
13 **inventory under IC 6-1.1-2 for property taxes first due and payable**
14 **in 2003 and thereafter shall be provided under this chapter. The**
15 **credit is equal to the person's net property tax liability on**
16 **inventory.**

17 **Sec. 4. (a) The county assessor shall determine the amount of**

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each property owner's assessed value that is attributable to inventory in the county. Before December 1 of 2002 and each year thereafter, the county assessor shall provide the county auditor with the amount of inventory assessed value for each owner.

(b) The county auditor shall compute the amount of property taxes in the county that is attributable to inventory assessed value as reported by the county assessor using the same property tax liability that is used to calculate the property tax replacement credit under IC 6-1.1-21-5 but after deducting the property tax replacement credit.

(c) Before March 1 of 2003 and each year thereafter, each county auditor shall certify to the department of local government finance the amount of inventory tax replacement credits allowed for each owner of inventory in that county for that calendar year. Before March 15 of 2003 and each year thereafter, the department of local government finance shall certify the amount of credits allowed to the property tax replacement fund board. The credits shall be determined in the same manner as property tax replacement credits are determined under IC 6-1.1-21 but after deducting the property tax replacement credit.

Sec. 5. Each year the property tax replacement fund board shall allocate to the department of state revenue from the property tax replacement fund an amount equal to the total amount of inventory tax replacement credits that are provided under this chapter for each county for that year in the same manner as the homestead credits are allocated from the property tax replacement fund under IC 6-1.1-21.

Sec. 6. (a) The department of state revenue shall distribute to each county treasurer from the property tax replacement fund the estimated distribution for that year for the county at the same time and in the same manner as the homestead credit distributions are made under IC 6-1.1-21. The money in the fund is appropriated to make the distributions.

(b) All distributions provided in this section shall be made on warrants issued by the auditor of state and drawn on the treasurer of state.

Sec. 7. To the extent it is consistent with this chapter, IC 6-1.1-21 applies with respect to the credit under this chapter.

SECTION 2. [EFFECTIVE JULY 1, 2002] IC 6-1.1-21.3, as added by this act, applies only to property taxes first due and payable after December 31, 2002.

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